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1919.

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MEMORANDUM

Prepared by the AGRICULTURAL DEPARTMENT
and the FOOD ADMINISTRATION

AS TO THE

WHEAT PRICE GUARANTEED BY CONGRESS



WASHINGTON
GOVERNMENT PRINTING OFFICE
1919

**MEMORANDUM PREPARED BY THE AGRICULTURAL DEPARTMENT
AND THE FOOD ADMINISTRATION AS TO THE WHEAT PRICE
GUARANTEED BY CONGRESS.**

What is known as the Food Control Act of Congress was approved on August 10, 1917, and the fourteenth section thereof provided for the guaranty of prices of wheat "whenever the President shall find that an emergency exists requiring stimulation of the production of wheat, etc." (A copy of the act is herewith filed, marked "Exhibit A.") Under this act it will be observed that Congress provided "that the guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based on No. 1 Northern Spring or its equivalent at not less than \$2 a bushel at the principal interior primary markets." The section also provided for the President fixing such guaranteed price for wheat and giving notice thereof, and in pursuance of such authority the President has issued two proclamations, hereinafter referred to.

By section 11 of said act the President is authorized "from time to time to purchase, to store, to provide storage facilities for, and to sell for cash at reasonable prices wheat" and other commodities therein named. This section necessarily has a bearing upon section 14 and is always to be considered in connection therewith.

The act of Congress above referred to, section 19, appropriated the sum of \$150,000,000 for the purposes of said act.

On the 14th day of August, 1917, an Executive order was made directing that "an agency, to wit, a corporation under the laws of Delaware, be created, said corporation to be named Food Administration Grain Corporation, the capital stock of which to be \$50,000,-000, and all of the capital stock to be subscribed for at par by the United States out of the appropriation above mentioned. The capital stock of this corporation was afterwards increased to \$150,000,-000, which increase was likewise subscribed for by the United States and paid for out of the above appropriation. (See Exhibit B, p. 23.)

The purpose of the organization of the Food Administration Grain Corporation was to furnish an agency, provided for under section 2 of the act to enable the United States Food Administration, under the direction of the President, to carry out the guaranty of the price of wheat made in pursuance of the fourteenth section of the act of Congress.

By Executive order of June 21, 1918 (see copy of order, Exhibit B, p. 23), the Food Administration Grain Corporation was designated by the President as the "agency of the United States to carry out and make effective, subject to the control and direction of the United States Food Administration, the provisions of the guaranty" of the price of wheat made by the President's proclamation issued on February 21, 1918, which was for the "crop of 1918" and which fixed the price of wheat at Chicago at \$2.20 per bushel and a relative price

at other primary markets. (See Exhibit B, p. 23.) It will be observed that the guaranty of the price of wheat under the proclamation of February 21, 1918, was limited to wheat "harvested in the United States during the year 1918 and offered for sale before the 1st day of June, 1919, to such agent and employee of the United States or other person as may be hereafter designated." And further, that the agency of the Food Administration Grain Corporation, as at present created, is limited to the crop of 1918 and expires on the 1st day of June, 1919.

Subsequently the Grain Corporation increased the Chicago price to \$2.26 per bushel and a relative increase at other markets in view of the increase in freight rates.

Acting under the act of Congress above referred to the President issued his proclamation (See Exhibit B, p. 23) on September 2, 1918, fixing the guaranteed price of wheat "for the crop of 1919" at the respective principal primary markets, the price at Chicago being \$2.26 per bushel and a relative price at the other primary markets therein set forth. This proclamation guaranteed the price of wheat to every producer of wheat as therein set forth, the only condition to receiving the guaranteed price being that "said wheat is harvested in the United States during the year 1919 and offered for sale before the 1st day of June 1920 to such agent and employee of the United States or other person as may be hereafter designated."

Up to this time no agency of the United States has been created and charged with the duty of making effective the guaranteed price under this proclamation.

WHEAT CROP OF 1918.

The United States Food Administration Grain Corporation has undertaken "to carry out and make effective" the guaranteed price of wheat of the crop of 1918, and with its capital of \$150,000,000, and its credit, combined with the export demand for wheat up to this time, the Grain Corporation has been able so far to maintain, in its integrity, the guaranteed price of wheat of the crop of 1918. The crop of wheat of the harvest of 1918 is estimated to be 917,100,000 bushels, and this resulted from the planting of 42,301,000 acres of winter wheat and 22,406,000 acres of spring wheat, or a total of 64,707,000 acres.

Up to the 1st day of November, 1918, there had been a movement of 530,000,000 bushels from the farms, and of this amount there was then in storage in elevators, mills, and terminals 287,000,000 bushels. On November 29, the total movement from the farms amounted to 588,000,000 bushels, leaving a balance of the crop of about 329,000,000 bushels yet to be moved from the farms, and on the same day there were 254,000,000 bushels in elevators, mills, and terminals, so that it will be observed that there is a very large amount of the 1918 crop yet to be moved from the farms, and it will take all the resources of the Grain Corporation and the most careful attention to every detail to carry out the guaranteed price of wheat of the crop of 1918, made by the executive proclamation under the authority of the act of Congress. In fact, if the export demand for the wheat of the 1918 crop should diminish, it is possible that in order to maintain the guaranteed price it may be necessary that there be a further appro-

priation by Congress. On the other hand, if the demand for wheat for export should continue, it is hoped that on the 1st day of June, 1919, the Grain Corporation may have been able to carry out the obligations of the United States as to the crop of 1918 without impairing its capital of \$150,000,000.

WHEAT CROP OF 1919.

The carrying out of the guaranteed price of wheat "harvested in the United States during the year 1919 and offered for sale before the 1st day of June, 1920" fixed by the President's proclamation of September 2, 1918, in pursuance of the direction of the act of Congress of August 10, 1917, presents a much more difficult situation, of which Congress should be advised, and such agencies should be created and appropriations made, by Congress, as will insure the carrying out of the guaranteed price "to every producer of wheat," in its integrity. We, therefore, deem it desirable to call the attention of Congress to the situation, as it appears at present.

1. The number of acres of wheat planted for the 1918 crop was as follows:

	Acres.
Winter wheat-----	42,301,000
Spring wheat-----	22,406,000
Total-----	64,707,000

However, of the winter wheat planted about 5,000,000 acres were abandoned. From this planting there was (estimated) harvested 917,100,000 bushels. For the harvest of 1919 it is estimated that there have been planted 49,261,000 acres of winter wheat, an increase of 16.5 per cent over the winter wheat planted in the fall of 1917, for the crop of 1918. The spring wheat has not yet been planted, but if there is the same increase in planting of spring wheat in 1919 as there is (estimated) as to winter wheat, the total acreage of spring wheat may be about 26,000,000 acres, or a total estimated acreage of about 75,000,000 acres. The above would indicate that the harvest of 1919 would be in excess of the number of bushels harvested in 1918.

2. The normal prewar annual export of wheat from the United States was about, on the average of 10 years, 110,000,000 bushels. It is estimated that the total export of wheat and flour (in terms of wheat) of the 1918 crop will be about 310,000,000 bushels. The export of wheat of the 1919 crop can not be expected to reach the volume of the 1918 crop in view of the fact that Argentina, Australia, Canada, India, and other wheat-producing countries will be in the market with their current crops and the reserves which they have been unable to ship, which was not true at least for a considerable part of the time that the 1918 crop was being marketed, and the countries of Europe will be in somewhat better situation for home production of foodstuffs.

3. The prewar domestic average consumption of wheat in the United States did not exceed 600,000,000 bushels, including seed reserved, and we think it may be assumed that the domestic consumption out of the 1919 crop, including seed wheat reserved, can not exceed 640,000,000 bushels as a maximum.

4. Reports indicate that the wheat planted in the fall of 1918 enters the winter in better condition and with the appearance of producing a larger per acre yield than the winter wheat planted in the fall of 1917.

5. The planting of winter wheat for the crop of 1919 is now estimated at 49,261,000 acres. If a like increase occurs in spring planting in 1919 over the planting in the spring of 1918, there would be a total acreage planted for 1919 wheat of 75,261,000 acres, and a yield on the basis of present indications for winter wheat and of the five-year yield for spring wheat of approximately 1,114,500,000 bushels, or an increase of about 197,000,000 bushels. If we deduct the quantity needed for seed for the 1920 crop, namely, 90,000,000 bushels, and that needed for maximum home consumption, 550,000,000, we would have remaining for export and carry over 474,500,000.

	Bushels.
Possible 1919 crop	1,114,500,000
Deduct probable seed requirements	90,000,000
Total	1,024,500,000
Deduct maximum home consumption	550,000,000
Remaining for export and carry over	474,500,000

In addition to the above it seems probable that there will be a considerable carry-over from the crop of 1918. The quantity of wheat to be handled may, of course, be greater than this; it may be smaller. The planting in the spring of 1919 may not be as great as that assumed. Weather conditions while more favorable than usual to date may not continue favorable.

The following table will indicate the possible outcome if we assume the normal abandonment for winter wheat and the five-year average yield and a planting in the spring of 1919 equal to last year with the average yield for the last five years:

	Bushels.
Winter wheat	697,900,000
Spring wheat	303,000,000
Total	1,000,900,000
Deduct seed and domestic consumption	640,000,000
Total	360,900,000

It would be unwise to make provision for the possible maximum quantity to be handled.

6. In order to meet the competition from Argentina and other countries, it seems apparent that our wheat of the 1919 crop, for export, must be paid for here at the guaranteed price and perhaps sold in competition at a price considerably below the guaranteed price. If we sell export wheat at a price below the guaranteed price there would be difficulty in holding our own people to a price for flour based on the guaranteed price of wheat, even if this were desirable.

7. The total estimated elevator capacity for carrying wheat is probably at a maximum as follows:

	Bushels.
Public terminals	150,000,000
Country elevators	100,000,000
Mill elevators	100,000,000
Total	350,000,000

If the crop of 1919 should be to any considerable amount in excess of the 1918 crop, as now seems probable, it will be necessary to provide additional wheat storage capacity to carry out the guaranteed price of wheat for the 1919 crop. Storage capacity is essential, for the guaranteed price is limited to the 1st of June, 1920, and producers will certainly rush their wheat to market, in order not to be caught on June 1, 1920, with wheat on hand, and the United States must take the wheat when offered.

8. In conclusion we submit the following:

(a) The guaranteed price of "every producer" is only effective provided the wheat is "offered for sale before the 1st day of June, 1920." It will be impossible to carry out this guaranty as it is intended by June 1, 1920, and if producers can not sell their wheat to the United States before that date and are left with wheat on hand, it will be felt that the obligation of the United States has not been carried out in good faith. Therefore, Congress will have to extend this date with such provisions and safeguards as may be necessary to protect the Government from wheat harvested in 1920 being mixed with wheat of the 1919 crop.

(b) The present agency will have to be continued or a new one created with power to buy, store, and sell such wheat of the 1919 crop as may be offered to it, and sufficient appropriation will have to be made to furnish such agency with ample funds to at all times purchase throughout the United States, at the guaranteed price, such wheat of the 1919 crop as may be offered to it and also to provide storage facilities to take care of the same by lease or purchase of facilities now in existence or by building additional facilities or both. The appropriation will have to be on a basis to enable the guaranteed price to be maintained at all times by purchase of wheat with funds provided by the Government and without relying on outside credit.

(c) Provision may have to be made by Congress for the protection of the Government against wheat or flour brought in from other countries during the period when the guaranteed price is effective, and also to protect purchasers of such wheat so long as the same is in the country and not consumed. Such provision was made by section 14 of the act of August 10, 1917, but the same expires with the proclamation of peace.

EDGAR NICKLARD,

Acting for Herbert Hoover, United States Food Administrator.

W.M. N. GLASGOW, Jr.,

Chairman Executive Board United States Food Administration.

D. F. HOUSTON,

Secretary of Agriculture.

EXHIBIT A.

PUBLIC—No. 41—SIXTY-FIFTH CONGRESS.

[H. R. 4961.]

An Act To provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel including fuel oil and natural gas, and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this Act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this Act.

SEC. 2. That in carrying out the purposes of this Act the President is authorized to enter into any voluntary arrangements or agreements, to create and use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds.

SEC. 3. That no person acting either as a voluntary or paid agent or employee of the United States in any capacity, including an advisory capacity, shall solicit, induce, or attempt to induce any person or officer authorized to execute or to direct the execution of contracts on behalf of the United States to make any contract or give any order for the furnishing to the United States of work, labor, or services, or of materials, supplies, or other property of any kind or character, if such agent or employee has any pecuniary interest in such contract or order, or if he or any firm of which he is a member, or corporation, joint-stock company, or association of which he is an officer or stockholder, or in the pecuniary profits of which he is directly or indirectly interested, shall be a party thereto. Nor shall any agent or employee make, or permit any committee or other body of which he is a member to make, or participate in making, any recommendation concerning such contract or order to any council, board, or commission of the United States, or any member or subordinate thereof, without making to the best of his knowledge and belief a full and complete disclosure in writing to such council, board,

commission, or subordinate of any and every pecuniary interest which he may have in such contract or order and of his interest in any firm, corporation, company, or association being a party thereto. Nor shall he participate in the awarding of such contract or giving such order. Any willful violation of any of the provisions of this section shall be punishable by a fine of not more than \$10,000, or by imprisonment of not more than five years, or both: *Provided*, That the provisions of this section shall not change, alter or repeal section forty-one of chapter three hundred and twenty-one, Thirty-fifth Statutes at Large.

SEC. 4. That it is hereby made unlawful for any person willfully to destroy any necessities for the purpose of enhancing the price or restricting the supply thereof; knowingly to commit waste or willfully to permit preventable deterioration of any necessities in or in connection with their production, manufacture, or distribution; to hoard, as defined in section six of this Act, any necessities; to monopolize or attempt to monopolize, either locally or generally, any necessities; to engage in any discriminatory and unfair, or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge, in handling or dealing in or with any necessities; to conspire, combine, agree, or arrange with any other person, (a) to limit the facilities for transporting, producing, harvesting, manufacturing, supplying, storing, or dealing in any necessities; (b) to restrict the supply of any necessities; (c) to restrict distribution of any necessities; (d) to prevent, limit, or lessen the manufacture or production of any necessities in order to enhance the price thereof, or (e) to exact excessive prices for any necessities; or to aid or abet the doing of any act made unlawful by this section.

SEC. 5. That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining, or distribution of any necessities, in order to carry into effect any of the purposes of this Act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessities as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. The President is authorized to issue such licenses and to prescribe regulations for the issuance of licenses and requirements for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licensees. Whenever the President shall find that any storage charge, commission, profit, or practice of any licensee is unjust, or unreasonable, or discriminatory and unfair, or wasteful, and shall order such licensee, within a reasonable time fixed in the order, to discontinue the same, unless such order, which shall recite the facts found, is revoked or suspended, such licensee shall, within the time prescribed in the order, discontinue such unjust, unreasonable, discriminatory and unfair storage charge, commission, profit, or practice. The President may, in lieu of any such unjust, unreasonable, discriminatory, and unfair storage charge, commission, profit, or practice, find what is a just, reasonable, nondiscriminatory and fair storage charge, commission, profit, or practice, and in any proceed-

ing brought in any court such order of the President shall be prima facie evidence. Any person who, without a license issued pursuant to this section, or whose license shall have been revoked, knowingly engages in or carries on any business for which a license is required under this section, or willfully fails or refuses to discontinue any unjust, unreasonable, discriminatory and unfair storage charge, commission, profit, or practice, in accordance with the requirement of an order issued under this section, or any regulation prescribed under this section, shall, upon conviction thereof, be punished by a fine not exceeding \$5,000, or by imprisonment for not more than two years, or both: *Provided*, That this section shall not apply to any farmer, gardener, cooperative association of farmers or gardeners, including live-stock farmers, or other persons with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him, nor to any retailer with respect to the retail business actually conducted by him, nor to any common carrier, nor shall anything in this section be construed to authorize the fixing or imposition of a duty or tax upon any article imported into or exported from the United States or any State, Territory, or the District of Columbia: *Provided further*, That for the purposes of this Act a retailer shall be deemed to be a person, copartnership, firm, corporation, or association not engaging in the wholesale business whose gross sales do not exceed \$100,000 per annum.

SEC. 6. That any person who willfully hoards any necessities shall upon conviction thereof be fined not exceeding \$5,000 or be imprisoned for not more than two years, or both. Necessaries shall be deemed to be hoarded within the meaning of this Act when either (a) held, contracted for, or arranged for by any person in a quantity in excess of his reasonable requirements for use or consumption by himself and dependents for a reasonable time; (b) held, contracted for, or arranged for by any manufacturer, wholesaler, retailer, or other dealer in a quantity in excess of the reasonable requirements of his business for use or sale by him for a reasonable time, or reasonably required to furnish necessities produced in surplus quantities seasonally throughout the period of scant or no production; or (c) withheld, whether by possession or under any contract or arrangement, from the market by any person for the purpose of unreasonably increasing or diminishing the price: *Provided*, That this section shall not include or relate to transactions on any exchange, board of trade, or similar institution or place of business as described in section thirteen of this Act that may be permitted by the President under the authority conferred upon him by said section thirteen: *Provided, however*, That any accumulating or withholding by any farmer or gardener, cooperative association of farmers or gardeners, including live-stock farmers, or any other person, of the products of any farm, garden, or other land owned, leased, or cultivated by him shall not be deemed to be hoarding within the meaning of this Act.

SEC. 7. That whenever any necessities shall be hoarded as defined in section six they shall be liable to be proceeded against in any district court of the United States within the district where the same are found and seized by a process of libel for condemnation, and if such necessities shall be adjudged to be hoarded they shall be disposed of by sale in such manner as to provide the most equitable distribution thereof as the court may direct, and the proceeds

thereof, less the legal costs and charges, shall be paid to the party entitled thereto. The proceedings of such libel cases shall conform as near as may be to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any such case, and all such proceedings shall be at the suit of and in the name of the United States. It shall be the duty of the United States attorney for the proper district to institute and prosecute any such action upon presentation to him of satisfactory evidence to sustain the same.

SEC. 8. That any person who willfully destroys any necessities for the purpose of enhancing the price or restricting the supply thereof shall, upon conviction thereof, be fined not exceeding \$5,000 or imprisoned for not more than two years, or both.

SEC. 9. That any person who conspires, combines, agrees, or arranges with any other person (a) to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessities; (b) to restrict the supply of any necessities; (c) to restrict the distribution of any necessities; (d) to prevent, limit, or lessen the manufacture or productiion of any necessities in order to enhance the price thereof shall, upon conviction thereof, be fined not exceeding \$10,000 or be imprisoned for not more than two years, or both.

SEC. 10. That the President is authorized, from time to time, to requisition foods, feeds, fuels, and other supplies necessary to the support of the Army or the maintenance of the Navy, or any other public use connected with the common defense, and to requisition, or otherwise provide, storage facilities for such supplies; and he shall ascertain and pay a just compensation therefor. If the compensation so determined be not satisfactory to the person entitled to receive the same, such person shall be paid seventy-five per centum of the amount so determined by the President, and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum will make up such amount as will be just compensation for such necessities or storage space, and jurisdiction is hereby conferred on the United States District Courts to hear and determine all such controversies: *Provided*, That nothing in this section, or in the section that follows, shall be construed to require any natural person to furnish to the Government any necessities held by him and reasonably required for consumption or use by himself and dependents, nor shall any person, firm, corporation, or association be required to furnish to the Government any seed necessary for the seeding of land owned, leased, or cultivated by them.

SEC. 11. That the President is authorized from time to time to purchase, to store, to provide storage facilities for, and to sell for cash at reasonable prices, wheat, flour, meal, beans, and potatoes: *Provided*, That if any minimum price shall have been theretofore fixed, pursuant to the provisions of section fourteen of this Act, then the price paid for any such articles so purchased shall not be less than such minimum price. Any moneys received by the United States from or in connection with the disposal by the United States of necessities under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such

revolving fund shall be covered into the Treasury as miscellaneous receipts.

SEC. 12. That whenever the President shall find it necessary to secure an adequate supply of necessities for the support of the Army or the maintenance of the Navy, or for any other public use connected with the common defense, he is authorized to requisition and take over, for use or operation by the Government, any factory, packing house, oil pipe line, mine, or other plant, or any part thereof, in or through which any necessities are or may be manufactured, produced, prepared, or mined, and to operate the same. Whenever the President shall determine that the further use or operation by the Government of any such factory, mine, or plant, or part thereof, is not essential for the national security or defense, the same shall be restored to the person entitled to the possession thereof. The United States shall make just compensation, to be determined by the President, for the taking over, use, occupation, and operation by the Government of any such factory, mine, or plant, or part thereof. If the compensation so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid seventy-five per centum of the amount so determined by the President, and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum, will make up such amount as will be just compensation, in the manner provided by section twenty-four, paragraph twenty, and section one hundred and forty-five of the Judicial Code. The President is authorized to prescribe such regulations as he may deem essential for carrying out the purposes of this section, including the operation of any such factory, mine, or plant, or part thereof, the purchase, sale, or other disposition of articles used, manufactured, produced, prepared, or mined therein, and the employment, control, and compensation of employces. Any moneys received by the United States from or in connection with the use or operation of any such factory, mine, or plant, or part thereof, may, in the discretion of the President, be used as a revolving fund for the purpose of the continued use or operation of any such factory, mine, or plant, or part thereof, and the accounts of each such factory, mine, plant, or part thereof, shall be kept separate and distinct. Any balance of such moncys not used as part of such revolving fund shall be paid into the Treasury as miscellaneous receipts.

SEC. 13. That whenever the President finds it essential in order to prevent undue enhancement, depression, or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the prices of necessities, hereafter in this section called evil practices, he is authorized to prescribe such regulations governing, or may either wholly or partly prohibit, operations, practices, and transactions at, on, in, or under the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices. Such regulations may require all persons coming within their provisions to keep such records and statements of account, and may require such persons to make such returns, verified under oath or otherwise, as will fully and correctly disclose all transactions at, in, or on, or under the rules of any such exchange, board of trade, or similar institution or place of

business, including the making, execution, settlement, and fulfillment thereof. He may also require all persons acting in the capacity of a clearing house, clearing association, or similar institution, for the purpose of clearing, settling, or adjusting transactions at, in, or on, or under the rules of any such exchange, board of trade, or similar institution or place of business, to keep such records and to make such returns as will fully and correctly disclose all facts in their possession relating to such transactions, and he may appoint agents to conduct the investigations necessary to enforce the provisions of this section and all rules and regulations made by him in pursuance thereof, and may fix and pay the compensation of such agents. Any person who willfully violates any regulation made pursuant to this section, or who knowingly engages in any operation, practice, or transaction prohibited pursuant to this section, or who willfully aids or abets any such violation or any such prohibited operation, practice, or transaction, shall, upon conviction thereof, be punished by a fine not exceeding \$10,000 or by imprisonment for not more than four years, or both.

SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits of the guaranty provided for in this section, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States grain standards Act, approved August eleventh, nineteen hundred and sixteen. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices, and in particular governing conditions of delivery and payment, and differences in price for the several standard grades in the principal primary markets of the United States, adopting number one northern spring or its equivalent at the principal interior primary markets as the basis. Thereupon, the Government of the United States hereby guarantees every producer of wheat produced within the United States, that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guarantee within the period, not exceeding eighteen months, prescribed in the notice, a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. The guaranteed prices for the several standard grades of wheat for the crop of nineteen hundred and eighteen, shall be based upon number one northern spring or its equivalent at not less than \$2 per bushel at the principal interior primary markets. This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May first, nineteen hundred and nineteen. When the President finds that the importation into the United States of any wheat produced outside of the United States materially enhances or is likely materially to enhance the liabilities of the United

States under guaranties of prices therefor made pursuant to this section, and ascertains what rate of duty, added to the then existing rate of duty on wheat and to the value of wheat at the time of importation, would be sufficient to bring the price thereof at which imported up to the price fixed therefor pursuant to the foregoing provisions of this section, he shall proclaim such facts, and thereafter there shall be levied, collected, and paid upon wheat when imported in addition to the then existing rate of duty, the rate of duty so ascertained; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon wheat under any then existing tariff law of the United States. For the purpose of making any guaranteed price effective under this section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President is authorized also, in his discretion, to purchase any wheat for which a guaranteed price shall be fixed under this section, and to hold, transport, or store it, or to sell, dispose of, and deliver the same to any citizen of the United States or to any Government engaged in war with any country with which the Government of the United States is or may be at war or to use the same as supplies for any department or agency of the Government of the United States. Any moneys received by the United States from or in connection with the sale or disposal of wheat under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

SEC. 15. That from and after thirty days from the date of the approval of this Act no foods, fruits, food materials, or feeds shall be used in the production of distilled spirits for beverage purposes: *Provided*, That under such rules, regulations, and bonds as the President may prescribe, such materials may be used in the production of distilled spirits exclusively for other than beverage purposes, or for the fortification of pure sweet wines as defined by the Act entitled "An Act to increase the revenue, and for other purposes," approved September eighth, nineteen hundred and sixteen. Nor shall there be imported into the United States any distilled spirits. Whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes, or that reduction of the alcoholic content of any such malt or vinous liquor, is essential, in order to assure an adequate and continuous supply of food, or that the national security and defense will be subserved thereby, he is authorized, from time to time, to prescribe and give public notice of the extent of the limitation, regulation, prohibition, or reduction so necessitated. Whenever such notice shall have been given and shall remain unrevoked no person shall, after a reasonable time prescribed in such notice, use any foods, fruits, food materials, or feeds in the production of malt or vinous liquors, or import any such liquors except under license issued by the President and in compliance with rules and regulations determined by him governing the production and importation of such liquors and the alcoholic content thereof. Any person who willfully violates the provisions

of this section, or who shall use any foods, fruits, food materials, or feeds in the production of malt or vinous liquors, or who shall import any such liquors, without first obtaining a license so to do when a license is required under this section, or who shall violate any rule or regulation made under this section, shall be punished by a fine not exceeding \$5,000, or by imprisonment for not more than two years, or both: *Provided further*, That nothing in this section shall be construed to authorize the licensing of the manufacture of vinous or malt liquors in any State, Territory, or the District of Columbia, or any civil subdivision thereof, where the manufacture of such vinous or malt liquor is prohibited.

SEC. 16. That the President is authorized and directed to commandeer any or all distilled spirits in bond or in stock at the date of the approval of this Act for redistillation, in so far as such redistillation may be necessary to meet the requirements of the Government in the manufacture of munitions and other military and hospital supplies, or in so far as such redistillation would dispense with the necessity of utilizing products and materials suitable for foods and feeds in the future manufacture of distilled spirits for the purposes herein enumerated. The President shall determine and pay a just compensation for the distilled spirits so commandeered; and if the compensation so determined be not satisfactory to the person entitled to receive the same, such person shall be paid seventy-five per centum of the amount so determined by the President and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum, will make up such amount as will be just compensation for such spirits, in the manner provided by section twenty-four, paragraph twenty, and section one hundred and forty-five of the Judicial Code.

SEC. 17. That every person who willfully assaults, resists, impedes, or interferes with any officer, employee, or agent of the United States in the execution of any duty authorized to be performed by or pursuant to this Act shall upon conviction thereof be fined not exceeding \$1,000 or be imprisoned for not more than one year, or both.

SEC. 18. That the sum of \$2,500,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available until June thirtieth, nineteen hundred and eighteen, for the payment of such rent, the expense, including postage, of such printing and publications, the purchase of such material and equipment, and the employment of such persons and means, in the city of Washington and elsewhere, as the President may deem essential.

SEC. 19. That for the purposes of this Act the sum of \$150,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available during the time this Act is in effect: *Provided*, That no part of this appropriation shall be expended for the purposes described in the preceding section: *Provided further*, That itemized statements covering all purchases and disbursements under this and the preceding section shall be filed with the Secretary of the Senate and the Clerk of the House of Representatives on or before the twenty-fifth day of each month after the taking effect of this Act, covering the business of the preceding month, and said statements shall be subject to public inspection.

SEC. 20. That the employment of any person under the provisions of this Act shall not exempt any such person from military service

under the provisions of the selective draft law approved May eighteenth, nineteen hundred and seventeen.

SEC. 21. The President shall cause a detailed report to be made to the Congress on the first day of January each year of all proceedings had under this Act during the year preceding. Such report shall, in addition to other matters, contain an account of all persons appointed or employed, the salary or compensation paid or allowed each, the aggregate amount of the different kinds of property purchased or requisitioned, the use and disposition made of such property, and a statement of all receipts, payments, and expenditures, together with a statement showing the general character, and estimated value of all property then on hand, and the aggregate amount and character of all claims against the United States growing out of this Act.

SEC. 22. That if any clause, sentence, paragraph, or part of this Act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof, directly involved in the controversy in which such judgment shall have been rendered.

SEC. 23. That words used in this Act shall be construed to import the plural or the singular, as the case demands. The word "person," wherever used in this Act, shall include individuals, partnerships, associations, and corporations. When construing and enforcing the provisions of this Act, the act, omission, or failure of any official, agent, or other person acting for or employed by any partnership, association, or corporation within the scope of his employment or office shall, in every case, also be deemed the act, omission, or failure of such partnership, association, or corporation as well as that of the person.

SEC. 24. That the provisions of this Act shall cease to be in effect when the existing state of war between the United States and Germany shall have terminated, and the fact and date of such termination shall be ascertained and proclaimed by the President; but the termination of this Act shall not affect any act done, or any right or obligation accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this Act; but all rights and liabilities under this Act arising before its termination shall continue and may be enforced in the same manner as if the Act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this Act had not been terminated.

SEC. 25. That the President of the United States shall be, and he is hereby, authorized and empowered, whenever and wherever in his judgment necessary for the efficient prosecution of the war, to fix the price of coal and coke, wherever and whenever sold, either by producer or dealer, to establish rules for the regulation of and to regulate the method of production, sale, shipment, distribution, apportionment, or storage thereof among dealers and consumers, domestic or foreign: said authority and power may be exercised by him in each case through the agency of the Federal Trade Commission during the war or for such part of said time as in his judgment may be necessary.

That if, in the opinion of the President, any such producer or dealer fails or neglects to conform to such prices or regulations, or

to conduct his business efficiently under the regulations and control of the President as aforesaid, or conducts it in a manner prejudicial to the public interest, then the President is hereby authorized and empowered in every such case to requisition and take over the plant, business, and all appurtenances thereof belonging to such producer or dealer as a going concern, and to operate or cause the same to be operated in such manner and through such agency as he may direct during the period of the war or for such part of said time as in his judgment may be necessary.

That any producer or dealer whose plant, business, and appurtenances shall have been requisitioned or taken over by the President shall be paid a just compensation for the use thereof during the period that the same may be requisitioned or taken over as aforesaid, which compensation the President shall fix or cause to be fixed by the Federal Trade Commission.

That if the prices so fixed, or if, in the case of the taking over or requisitioning of the mines or business of any such producer or dealer the compensation therefor as determined by the provisions of this Act be not satisfactory to the person or persons entitled to receive the same, such person shall be paid seventy-five per centum of the amount so determined, and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum, will make up such amount as will be just compensation in the manner provided by section twenty-four, paragraph twenty, and section one hundred and forty-five of the Judicial Code.

While operating or causing to be operated any such plants or business, the President is authorized to prescribe such regulations as he may deem essential for the employment, control, and compensation of the employees necessary to conduct the same.

Or if the President of the United States shall be of the opinion that he can thereby better provide for the common defense, and whenever, in his judgment, it shall be necessary for the efficient prosecution of the war, then he is hereby authorized and empowered to require any or all producers of coal and coke, either in any special area or in any special coal fields, or in the entire United States, to sell their products only to the United States through an agency to be designated by the President, such agency to regulate the resale of such coal and coke, and the prices thereof, and to establish rules for the regulation of and to regulate the methods of production, shipment, distribution, apportionment, or storage thereof among dealers and consumers, domestic or foreign, and to make payment of the purchase price thereof to the producers thereof, or to the person or persons legally entitled to said payment.

That within fifteen days after notice from the agency so designated to any producer of coal and coke that his, or its, output is to be so purchased by the United States as hereinbefore described, such producer shall cease shipments of said product upon his own account and shall transmit to such agency all orders received and unfilled or partially unfilled, showing the exact extent to which shipments have been made thereon, and thereafter all shipments shall be made only on authority of the agency designated by the President, and thereafter no such producer shall sell any of said products except to the United States through such agency, and the said agency alone is

hereby authorized and empowered to purchase during the continuance of the requirement the output of such producers.

That the prices to be paid for such products so purchased shall be based upon a fair and just profit over and above the cost of production, including proper maintenance and depletion charges, the reasonableness of such profits and cost of production to be determined by the Federal Trade Commission, and if the prices fixed by the said commission of any such product purchased by the United States as hereinbefore described be unsatisfactory to the person or persons entitled to the same, such person or persons shall be paid seventy-five per centum of the amount so determined, and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum, will make up such amount as will be just compensation in the manner provided by section twenty-four, paragraph twenty, and section one hundred and forty-five of the Judicial Code.

All such products so sold to the United States shall be sold by the United States at such uniform prices, quality considered, as may be practicable and as may be determined by said agency to be just and fair.

Any moneys received by the United States for the sale of any such coal and coke may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any moneys not so used shall be covered into the Treasury as miscellaneous receipts.

That when directed by the President, the Federal Trade Commission is hereby required to proceed to make full inquiry, giving such notice as it may deem practicable, into the cost of producing under reasonably efficient management at the various places of production the following commodities, to wit, coal and coke.

The books, correspondence, records, and papers in any way referring to transactions of any kind relating to the mining, production, sale, or distribution of all mine operators or other persons whose coal and coke have or may become subject to this section, and the books, correspondence, records, and papers of any person applying for the purchase of coal and coke from the United States shall at all times be subject to inspection by the said agency, and such person or persons shall promptly furnish said agency any data or information relating to the business of such person or persons which said agency may call for, and said agency is hereby authorized to procure the information in reference to the business of such coal-mine operators and producers of coke and customers therefor in the manner provided for in sections six and nine of the Act of Congress approved September twenty-sixth, nineteen hundred and fourteen, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," and said agency is hereby authorized and empowered to exercise all the powers granted to the Federal Trade Commission by said Act for the carrying out of the purposes of this section.

Having completed its inquiry respecting any commodity in any locality, it shall, if the President has decided to fix the prices at which any such commodity shall be sold by producers and dealers generally, fix and publish maximum prices for both producers of and dealers in any such commodity, which maximum prices shall be observed

by all producers and dealers until further action thereon is taken by the commission.

In fixing maximum prices for producers the commission shall allow the cost of production, including the expense of operation, maintenance, depreciation, and depletion, and shall add thereto a just and reasonable profit.

In fixing such prices for dealers, the commission shall allow the cost to the dealer and shall add thereto a just and reasonable sum for his profit in the transaction.

The maximum prices so fixed and published shall not be construed as invalidating any contract in which prices are fixed, made in good faith, prior to the establishment and publication of maximum prices by the commission.

Whoever shall, with knowledge that the prices of any such commodity have been fixed as herein provided, ask, demand, or receive a higher price, or whoever shall, with knowledge that the regulations have been prescribed as herein provided, violate or refuse to conform to any of the same, shall, upon conviction, be punished by fine of not more than \$5,000, or by imprisonment for not more than two years, or both. Each independent transaction shall constitute a separate offense.

Nothing in this section shall be construed as restricting or modifying in any manner the right the Government of the United States may have in its own behalf or in behalf of any other Government at war with Germany to purchase, requisition, or take over any such commodities for the equipment, maintenance, or support of armed forces at any price or upon any terms that may be agreed upon or otherwise lawfully determined.

SEC. 26. That any person carrying on or employed in commerce among the several States, or with foreign nations, or with or in the Territories or other possessions of the United States in any article suitable for human food, fuel, or other necessities of life, who, either in his individual capacity or as an officer, agent, or employee of a corporation or member of a partnership carrying on or employed in such trade, shall store, acquire, or hold, or who shall destroy or make away with any such article for the purpose of limiting the supply thereof to the public or affecting the market price thereof in such commerce, whether temporarily or otherwise, shall be deemed guilty of a felony and, upon conviction thereof, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both: *Provided*, That any storing or holding by any farmer, gardner, or other person of the products of any farm, garden, or other land cultivated by him shall not be deemed to be a storing or holding within the meaning of this Act: *Provided further*, That farmers and fruit growers, coöperative and other exchanges, or societies of a similar character shall not be included within the provisions of this section: *Provided further*, That this section shall not be construed to prohibit the holding or accumulating of any such article by any such person in a quantity not in excess of the reasonable requirements of his business for a reasonable time or in a quantity reasonably required to furnish said articles produced in surplus quantities seasonally throughout the period of scant or no production. Nothing contained in this section shall be construed to repeal the Act entitled

"An Act to protect trade and commerce against unlawful restraints and monopolies," approved July second, eighteen hundred and ninety, commonly known as the Sherman Antitrust Act.

SEC. 27. That the President is authorized to procure, or aid in procuring, such stocks of nitrate of soda as he may determine to be necessary, and find available, for increasing agricultural production during the calendar years nineteen hundred and seventeen and eighteen, and to dispose of the same for cash at cost, including all expenses connected therewith. For carrying out the purposes of this section, there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of \$10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations, and to use such means and agencies of the Government, as, in his discretion, he may deem best. The proceeds arising from the disposition of the nitrate of soda shall go into the Treasury as miscellaneous receipts.

Approved, August 10, 1917.

EXHIBIT B

United States Food Administration

**PROCLAMATIONS AND EXECUTIVE ORDERS
BY THE PRESIDENT**

**UNDER AND BY VIRTUE OF THE FOOD
CONTROL ACT OF AUGUST 10, 1917**

November 25, 1918

EXECUTIVE ORDER

PROVIDING FOR ORGANIZATION OF UNITED STATES FOOD ADMINISTRATION.

(August 10, 1917.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel" approved August 10, 1917, it was provided among other things as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement of foods, feeds, fuel, including fuel oil and natural gas, fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act."

And, whereas, it is further provided in said act as follows:

"That, in carrying out the purposes of this act the President is authorized to enter into any voluntary arrangements or agreements, to create and use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, * * * ."

Now, therefore, under and by virtue of the power conferred upon me by the provisions of said act and for the purpose of carrying the same into effect, I, Woodrow Wilson, President of the United States, hereby order and direct as follows:

There is hereby established a governmental organization to be known as and called United States Food Administration.

Said organization shall consist of an officer designated as United States Food Administrator, and such subordinate assistants and employees as may be selected by him for service in the city of Washington, D. C., and elsewhere, with the consent and approval of the President and under such rules and regulations as may from time to time be prescribed.

Herbert Hoover is hereby appointed United States Food Administrator, such appointment to take effect from this date.

Said United States Food Administrator shall hold office during the pleasure of the President.

Said United States Food Administrator shall supervise, direct, and carry into effect the provisions of said act, and the powers and authority therein given to the President, so far as the same apply to foods, feeds, and their derivative products and to any and all practices, procedure, and regulations authorized or required under the provisions of said act, including the issuance, regulation, and revocation, in the name of said Food Administrator, of licenses under said act; and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time.

He shall also have the authority to make use of the services of legal counsel and employ and fix the compensation of such counsel as may from time to time be deemed by him necessary for the purpose of aiding him in carrying this act into effect.

And, whereas, the President is further authorized in carrying out the purpose of said act—

“to utilize any department or agency of the Government and to coordinate their activities so as to avoid preventable loss or duplication of effort or funds,”

all departments and established agencies of the Government are hereby directed to cooperate with the United States Food Administrator in the performance of his duties as hereinbefore set forth and to give said Administrator such support and assistance as may be requisite or expedient to enable him to perform his said duties and avoid duplication of effort and expenditure of funds.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia this tenth day of August, in the year of our Lord one thousand nine hundred and seventeen, and of the Independence of the United States of America the one hundred and forty-second.

WOODROW WILSON.

By the President:

[SEAL.]

ROBERT LANSING,
Secretary of State.

NOTE.—Other Executive orders relating to the United States Food Administration and the execution of the provisions of the Food Control Act are printed following the proclamations next subjoined.

PROCLAMATIONS.

LICENSE OF WHEAT AND RYE ELEVATORS, AND MILLERS.

(August 14, 1917.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of fuel," approved by the President on the 10th day of August, 1917, it is provided among other things as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel, including fuel oil and natural gas, fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act."

And, whereas, it is further provided in said act as follows:

"That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining, or distribution of any necessities, in order to carry into effect any of the purposes of this Act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessities as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. The President is authorized to issue such licenses and to prescribe regulations for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation and the entry and inspection by the President's duly authorized agents of the places of business of licensees."

And, whereas, it is essential in order to carry into effect the provisions of the said act, and in order to secure an adequate supply and equitable distribution, and to facilitate the movement of certain necessities hereafter in this proclamation specified that the license powers conferred upon the President by said act be at this time exercised, to the extent hereinafter set forth.

Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential in order to carry into effect the purposes of said act, to license the storage and distribution of wheat and rye and the manufacture, storage, and distribution of all products derived therefrom to the extent hereinafter specified.

All persons, firms, corporations and associations engaged in the business of either storing or distributing wheat or rye, as owners, lessees or operators of warehouses or elevators, and all persons, firms, corporations and associations engaged in the business of manufacturing any products derived from wheat or rye, (except those operating mills and manufacturing plants of a daily capacity of one hundred barrels or less, and farmers and cooperative association of farmers) are hereby required to secure on or before September 1st, 1917, a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

Applications for licenses must be made to the United States Food Administrator, Washington, D. C., upon forms prepared by him for that purpose.

Any person, firm, corporation or association, other than those hereinbefore excepted, who shall engage in, or carry on the business of either storing or distributing wheat or rye as owners, lessees or operators of warehouses or elevators, or manufacturing any products derived from wheat or rye after September 1st, 1917, without first securing such license, will be liable to the penalties prescribed by said act of Congress.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia, this fourteenth day of August in the year of Our Lord One Thousand Nine Hundred and Seventeen, and of the Independence of the United States of America, the One Hundred and Forty-second.

[SEAL]

By the President:

ROBERT LANSING

Secretary of State.

WOODROW WILSON.

LICENSE OF IMPORTERS, MANUFACTURERS, AND REFINERS OF SUGAR, SUGAR SYRUPS, AND MOLASSES.

(September 7, 1917.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential in order to carry into

effect the purposes of said act, to license the importation, manufacture and refining of sugar, sugar syrups and molasses, to the extent hereinafter specified.

All persons, firms, corporations and associations engaged in the business either of importing sugar, or manufacturing sugar from sugar cane or beets, or of refining sugar or of manufacturing sugar syrups or molasses, (except those specifically exempted by said act of Congress), are hereby required to secure on or before October 1, 1917, a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed. * * *

NOTE.—Omitted portions of license proclamations indicated by * * * contain recitals of the provisions of the Food Control Act under the authority of which the particular proclamation was promulgated and the formal subscription. These omitted portions are substantially identical in the several proclamations. Proclamations other than license proclamations are printed in full with the exception of the formal subscription at the end of each such proclamation.

LICENSE OF MANUFACTURERS AND DISTRIBUTORS OF CERTAIN FOOD COMMODITIES.

(October 8, 1917.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said act, to license the importation, manufacture, storage and distribution of necessities, to the extent herein-after specified.

All persons, firm, corporations and associations engaged in the business either of (1) operating cold storage warehouses (a cold storage warehouse, for the purposes of this proclamation, being defined as any place artificially or mechanically cooled to or below a temperature of 45 degrees above zero Fahrenheit, in which food products are placed and held for thirty days or more), (2) operating elevators, warehouses or other places for the storage of corn, oats, barley, beans, rice, cotton seed, cottonseed cake, cottonseed meal or peanut meal, or (3) importing, manufacturing (including milling, mixing or packing), or distributing (including buying and selling) any of the following commodities:

- Wheat, wheat flour, rye or rye flour,
- Barley or barley flour,
- Oats, oatmeal or rolled oats,
- Corn, corn grits, cornmeal, hominy, corn flour, starch from corn, corn oil, corn syrup or glucose,
- Rice, rice flour,
- Dried beans,
- Pea seed or dried peas,
- Cotton seed, cottonseed oil, cottonseed cake or cottonseed meal,
- Peanut oil or peanut meal,
- Soya bean oil, soya bean meal, palm oil or copra oil,
- Oleomargarine, lard, lard substitutes, oleo oil or cooking fats,
- Milk, butter or cheese,
- Condensed, evaporated or powdered milk,
- Fresh, canned or cured beef, pork or mutton,

Poultry or eggs,

Fresh or frozen fish,

Fresh fruits or vegetables,

Canned: Peas, dried beans, tomatoes, corn, salmon or sardines,

Dried: Prunes, apples, peaches or raisins,

Sugar, syrups or molasses,

Excepting, however,

(1) Operators of elevators or warehouses handling wheat or rye, and manufacturers of the derivative products of wheat or rye, who have already been licensed,

(2) Importers, manufacturers and refiners of sugar, and manufacturers of sugar syrup and molasses, who have already been licensed,

(3) Retailers whose gross sales of food commodities do not exceed \$100,000.00 per annum,

(4) Common carriers,

(5) Farmers, gardeners, cooperative associations of farmers or gardeners, including live stock farmers, and other persons with respect to the products of any farm, garden or other land owned, leased or cultivated by them,

(6) Fishermen whose business does not extend beyond primary consignment,

(7) Those dealing in any of the above commodities on any exchange, board of trade or similar institution as defined by Section 13 of the act of August 10th, 1917, to the extent of their dealings on such exchange or board of trade,

(8) Millers of corn, oats, barley, wheat, rye or rice operating only plants of a daily capacity of less than seventy-five barrels,

(9) Canners of peas, dried beans, corn, tomatoes, salmon or sardines whose gross production does not exceed 5,000 cases per annum.

(10) Persons slaughtering, packing and distributing fresh, canned or cured beef, pork or mutton, whose gross sales of such commodities do not exceed \$100,000.00 per annum,

(11) Operators of poultry or egg packing plants, whose gross sales do not exceed \$50,000.00 per annum,

(12) Manufacturers of maple syrup, maple sugar and maple compounds,

(13) Ginners, buyers, agents, dealers or other handlers of cotton seed who handle yearly, between September 1st and August 31st, less than one hundred and fifty tons of cotton seed, are hereby required to secure on or before November 1, 1917, a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed. * * *

LICENSING BAKERS.

(November 7, 1917.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said act, to license the manufacture of necessities, to the extent hereinafter specified.

All persons, firms, corporations and associations, who manufacture for sale bread in any form, cake, crackers, biscuits, pastry or other bakery products (excepting, however, those whose consumption of any flour and meal in the manufacture of such products is, in the aggregate, less than ten barrels a month), are hereby required to procure a license on or before December 10, 1917. This includes hotels, restaurants, other public eating places, and clubs, who serve bread or other bakery products of their own baking. * * *

LICENSE OF ARSENIC INDUSTRY.

(November 15, 1917.)

* * * Now, therefore, I Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential in order to carry into effect the purposes of said act, to license the importation, manufacture, storage and distribution of the following necessities: white arsenic, and other insecticides containing arsenic.

All persons, firms, corporations and associations (except those specifically exempted by said act of Congress) engaged in the business of importing, manufacturing, storing or distributing white arsenic, or engaged in the business of manufacturing other insecticides containing arsenic, are hereby required to secure a license on or before November 20, 1917, and all those engaged in the business of importing, storing or distributing other insecticides containing arsenic, are hereby required to secure a license on or before December 10, 1917, which licenses will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

The United States Food Administrator shall supervise, direct and carry into effect the provisions of said act, and the powers and authority thereby given to the President as far as the same apply to white arsenic and other insecticides containing arsenic, and to any and all practices, procedure and regulations authorized or required under the provisions of said act, including the issuance, regulation and revocation, in the name of said Food Administrator, of licenses under said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time.

And for all the purposes aforesaid he may make use of the governmental organization called the United States Food Administration. * * *

LIMITING ALCOHOLIC CONTENT OF MALT LIQUOR.

(December 8, 1917.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President

on August 10, 1917, it is provided in section 15, among other things, as follows:

"Whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes, or that reduction of the alcoholic content of any such malt or vinous liquor, is essential, in order to assure an adequate and continuous supply of food, or that the national security and defense will be subserved thereby, he is authorized, from time to time, to prescribe and give public notice of the extent of the limitation, regulation, prohibition, or reduction so necessitated. Whenever such notice shall have been given and shall remain unrevoked, no person shall, after a reasonable time prescribed in such notice, use any foods, fruits, food materials, or feeds in the production of malt or vinous liquors, or import any such liquors except under license issued by the President and in compliance with rules and regulations determined by him governing the production and importation of such liquors and the alcoholic content thereof;"

Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, do hereby find and determine that the national security and defense will be subserved by the limitation of the amount of foods, fruits, food materials and feeds used in the production of malt liquor, and by reduction of the alcoholic content of malt liquor produced in the United States. And by this proclamation I prescribe and give public notice that on and after January 1, 1918, the total amount of foods, fruits, food materials and feeds used by any person in the production of malt liquor shall not exceed seventy per cent (70%) of the average consumption of any such foods, fruits, food materials or feeds in the production of such malt liquor by such person during the period from January 1, 1917, to January 1, 1918, the unit of time to be fixed by regulation; and that on and after January 1, 1918, no malt liquor except ale and porter shall be produced in the United States containing more than two and three-quarters per cent (2.75%) of alcohol by weight.

No person shall, after January 1, 1918, use any foods, fruits, food materials or feeds in the production of malt liquor, unless he secures a license so to do, to be issued by the Commissioner of Internal Revenue, and complies with rules and regulations to be hereafter promulgated governing the production of such liquor and the alcoholic content thereof; and no person shall import any such liquor except under license to be issued by the Division of Customs, Treasury Department, and in compliance with any rules and regulations governing the importation of such liquors which may be promulgated.

LICENSING THE IMPORTATION, MANUFACTURE, STORAGE, AND DISTRIBUTION OF FEEDS, AND CERTAIN OTHER FOOD COMMODITIES.

(January 10, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this

proclamation do announce that it is essential, in order to carry into effect the purposes of said act, to license the importation, manufacture, storage, and distribution of feeds, and certain other food commodities, to the extent hereinafter specified.

(1) All persons, firms, corporations and associations engaged in the business of

(a) Importing, manufacturing (including mixing and processing of all kinds), storing or distributing any commercial mixed feeds (including dairy feeds, horse and mule feeds, stock feeds, hog feeds, and poultry feeds);

(b) Manufacturing feeds from any of the following commodities or importing, storing or distributing any of the following commodities as feeds or feed ingredients:

buckwheat	linseed oil meal
kaffir	beans
milo	peas
feterita	dried brewers grains
broom corn	dried distillers grains
cane seed	dried yeast grains
spelt	malt sprouts
emmer	baled hay
millet	baled alfalfa
sunflower seed	baled straw
grain and seed screenings	animal or fish products or by-products
lentils	tankage;
linseed oil cake	

(c) Importing, manufacturing, storing or distributing as feed any products or by-products of any of the following commodities except products or by-products whose importation, manufacture, storage or distribution is already covered by a license held by any such person, firm, corporation or association:

shelled corn	velvet beans
ear corn	peas
oats	peanuts
barley	copra
wheat	palm nut
rye	palm kernel
buckwheat	sugar beets
sorghum grains	sugar cane
rice	hay
grain and seed screenings	alfalfa
soya beans	straw;

(2) All persons, firms, corporations, and associations engaged in the business of malting barley, or other grains, or in the business of storing or distributing malt, except brewers of malt liquor who do not malt their own grain;

(3) All persons, firms, corporations and associations engaged in the business of importing, manufacturing or distributing copra, palm kernels, palm kernel oil, and peanuts;

(4) All salt water fishermen not already licensed by the United States Food Administration, whether fishing independently or on shares, engaged at any period of the year, in the commercial distribu-

tion, including catching and selling, of any or all varieties of salt water fish including menhaden and of shellfish and crustaceans;

(5) All persons, firms, corporations, and associations engaged in the business of canning peas, dried beans, corn, tomatoes, salmon or sardines not already licensed whose gross production is more than five hundred (500) cases per annum, except home canners and bona fide boys' and girls' canning clubs recognized by the Department of Agriculture of the several States in the United States;

(6) All persons, firms, corporations and associations not already licensed, engaged in the business of manufacturing tomato soup, tomato catsup, or other tomato products;

(7) All persons, firms, corporations and associations engaged in the business of manufacturing alimentary paste;

(8) All persons, firms, corporations and associations, not already licensed, engaged in the business of manufacturing any products derived from wheat or rye, excepting, however,

(1) Retailers whose gross sales of food commodities do not exceed one hundred thousand dollars (\$100,000) per annum;

(2) Common carriers as to operations necessary to the business of common carriage;

(3) Farmers, gardeners, cooperative associations of farmers or gardeners, including live stock farmers, and other persons with respect to the products of any farm, garden or other land owned, leased or cultivated by them;

Are hereby required to secure on or before February 15, 1918, a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed. * * *

CONSERVATION OF WHEAT.

(January 18, 1918.)

Whereas it is vitally necessary in the prosecution of the war to secure an adequate supply of foodstuffs for the Army and Navy of the United States and to export to the people of the nations associated with the United States in the war as large an amount of wheat and wheat flour as it is possible to provide; and

Whereas the United States will have a sufficient supply of wheat and wheat flour for their people and for the export shipments required by their associates in the war pending the coming harvest if the people of the United States intelligently conserve the great stock of wheat and of other foods which they possess; and

Whereas the failure of the United States to ship wheat to their associates in the war will require those associates to use more ships in obtaining such wheat from more distant sources of supply, and will thereby decrease the number of ships available for the transportation of the American Army to France:

Now, therefore, I call upon all patriotic citizens to effect every possible saving in their use of wheat and wheat flour, to make use of substitutes therefor whenever possible, and, particularly, to conform to the following conservation measures and to the rules and regulations which I have prescribed under the authority vested in me by the act of Congress of August 10, 1917, entitled "An act to

provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel."

CONSERVATION MEASURES.

1. Every consumer should limit his consumption of wheat flour and other wheat products to not more than 70 per cent of his normal prewar consumption.

Every consumer should observe strictly the days of Monday and Wednesday of each week as wheatless days, on which days he should eat no white bread or other wheat product containing more than 70 per cent of wheat.

Every consumer should observe one meal each day as an absolutely wheatless meal, at which meal should be eaten no wheat or wheat products whatsoever, thus excluding all bread, except corn bread, cakes, pastry, pies, macaroni, spaghetti, and such other products, and all wheat cereals. The Federal food administrators in the several States will designate the meal which shall be wheatless.

No person should have on hand more than a 30 days' supply of wheat flour.

2. Retailers should limit their purchases of wheat flour and other wheat products at least to 70 per cent of their normal prewar purchases and should urge their customers to buy more corn meal, hominy, grits, corn starch, barley flour, oatmeal, rolled oats, and rice flour as substitutes for wheat flour.

3. Wholesalers and jobbers should sell to their customers only 70 per cent of their 1917 requirements and should urge the purchase of the substitutes listed above.

4. Bakers should not use wheat flour without using wheat-flour substitutes in an amount equal, at least, to 25 per cent of the amount of wheat flour used.

5. Manufacturers of alimentary paste, biscuits, crackers, pastry, cereals made up wholly or in part of wheat should reduce their purchases and consumption of wheat or wheat flour to 70 per cent of their 1917 requirements. * * *

LICENSING BAKERS NOT ALREADY LICENSED AND IMPORTERS AND DISTRIBUTORS OF GREEN COFFEE.

(January 30, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purpose of said act, to license the importation, manufacture, and distribution of necessities, to the extent hereinafter specified.

All persons, firms, corporations, and associations, who manufacture for sale bread in any form, cake, crackers, biscuits, pastry or other bakery products (excepting, however, those already licensed and those whose consumption of any flour and meal in the manufacture of such products is, in the aggregate, less than three barrels

a month), are hereby required to procure a license on or before February 4, 1918. This includes hotels, restaurants, other public eating places, and clubs, which serve bread or other bakery products of their own baking.

All persons, firms, corporations, and associations engaged in the business of importing or distributing green coffee are hereby required to procure a license on or before February 4, 1918. * * *

FIXING GUARANTEED PRICES FOR 1918 WHEAT CROP.

(February 21, 1918.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on the 10th day of August, one thousand nine hundred and seventeen, it is provided among other things as follows:

"SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits of the guaranty provided for in this section, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States Grain Standards Act approved August eleventh, nineteen hundred and sixteen. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices, and in particular governing conditions of delivery and payment, and differences in price for the several standard grades in the principal primary markets of the United States, adopting number one northern spring or its equivalent at the principal interior primary markets as the basis. Thereupon, the Government of the United States hereby guarantees every producer of wheat produced within the United States that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guarantee within the period, not exceeding eighteen months, prescribed in the notice, a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. The guaranteed prices for the several standard grades of wheat for the crop of nineteen hundred and eighteen shall be based upon number one northern spring or its equivalent at not less than \$2 per bushel at the principal interior primary markets. This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May first, nineteen hundred and nineteen."

Now Therefore, I, Woodrow Wilson, President of the United States, by virtue of the powers conferred upon me by said act of Congress, and especially by section 14 thereof, do hereby find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guarantee provided for in said section; and, in order to make effective the guarantee by Congress for the crop of nineteen hundred and eighteen and to assure such producers a reasonable profit, I do hereby determine and fix, and give public notice of reasonable guaranteed prices for No. 1 Northern Spring wheat and its equivalents at the respective principal primary markets as follows, to wit:

Chicago, Illinois, two dollars and twenty cents (\$2.20) per bushel;

Omaha, Nebraska, two dollars and fifteen cents (\$2.15) per bushel;

Kansas City, Missouri, two dollars and fifteen cents (\$2.15) per bushel;

St. Louis, Missouri, two dollars and eighteen cents (\$2.18) per bushel;

Minneapolis, Minnesota, two dollars and seventeen cents (\$2.17) per bushel;

Duluth, Minnesota, two dollars and seventeen cents (\$2.17) per bushel;

New York, New York, two dollars and twenty-eight cents (\$2.28) per bushel;

Philadelphia, Pennsylvania, two dollars and twenty-seven cents (\$2.27) per bushel;

Baltimore, Maryland, two dollars and twenty-seven cents (\$2.27) per bushel;

Newport News, Virginia, two dollars and twenty-seven cents (\$2.27) per bushel;

Charleston, South Carolina, two dollars and twenty-seven cents (\$2.27) per bushel;

Savannah, Georgia, two dollars and twenty-seven cents (\$2.27) per bushel;

Portland, Oregon, two dollars and five cents (\$2.05) per bushel;

Seattle, Washington, two dollars and five cents (\$2.05) per bushel;

San Francisco, California, two dollars and ten cents (\$2.10) per bushel;

Los Angeles, California, two dollars and ten cents (\$2.10) per bushel;

Galveston, Texas, two dollars and twenty cents (\$2.20) per bushel;

New Orleans, Louisiana, two dollars and twenty cents (\$2.20) per bushel;

Salt Lake City, Utah, two dollars (\$2.00) per bushel;

Great Falls, Montana, two dollars (\$2.00) per bushel;

Spokane, Washington, two dollars (\$2.00) per bushel;

Pocatello, Idaho, two dollars (\$2.00) per bushel;

Fort Worth, Texas, two dollars and nine cents (\$2.09) per bushel;

Oklahoma City, Oklahoma, two dollars and five cents (\$2.05) per bushel;

Wichita, Kansas, two dollars and eight cents (\$2.08) per bushel, and that the guaranteed price for the other grades established under the United States Grain Standards Act approved August 11, 1916, based on said price for No. 1 Northern Spring wheat at the respective principal primary markets of the United States above mentioned, will assure the producers of wheat produced within the United States a reasonable profit; the guaranteed prices in the principal primary markets above mentioned being fixed by adopting No. 1 Northern Spring wheat or its equivalents at the principal interior markets, as the basis.

For the purposes of such guaranty only, I hereby fix the guaranteed prices at the respective principal primary markets above mentioned for the following grades of wheat, to wit: No. 1 Northern Spring, No. 1 Hard Winter, No. 1 Red Winter, No. 1 Durum, No. 1 Hard White. The guaranteed prices at the respective principal primary markets aforesaid of all other grades of wheat established under the United States Grain Standards Act approved August 11, 1916, shall be based on the above guaranteed prices and bear just relation thereto.

The sums thus determined and fixed are guaranteed by the Government of the United States at the respective principal primary markets of the United States above mentioned, to every producer of wheat of any grade so established under the United States Grain Standards Act, upon the condition that said wheat is harvested in the United States during the year 1918, and offered for sale before the first day of June, 1919, to such agent or employee of the United States, or other person as may be hereafter designated, at any one of the above-mentioned cities, which are, for the purposes of this act, hereby declared to be the principal primary markets of the United States, and provided that such producer complies with all regulations which may be hereafter promulgated in regard to said guaranty by the President of the United States. * * *

LICENSING PACKERS OF CANNED TUNA AND OTHERS.

(May 14, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said act, to license the importation, manufacture, storage and distribution of necessities, to the extent herein-after specified.

All persons, firms, corporations and associations engaged in business as:

- (1) Packers of canned tuna.
- (2) Packers of mild cured, hard cured, salted, dried, smoked, pickled or otherwise preserved salmon.
- (3) Operators of poultry and egg packing plants not already licensed by the United States Food Administration.

(4) Ginners, buyers, agents, dealers or other handlers of cotton seed not already licensed by the United States Food Administration who handle yearly between September 1 and August 31 more than twenty (20) tons of cotton seed.

(5) Importers, manufacturers or distributors of cottonseed hulls, and owners of elevators, warehouses or other places for the storage of cottonseed hulls.

(6) Manufacturers of fermented beverages containing less than one-half of one per cent of alcohol.

Excepting, however,

(1) Retailers whose gross sales of food commodities do not exceed one hundred thousand dollars (\$100,000) per annum;

(2) Common carriers as to operations necessary to the business of common carriage;

(3) Farmers, gardeners, cooperative associations of farmers or gardeners, including live stock farmers, and other persons with respect to the products of any farm, garden or other land owned, leased or cultivated by them;

are hereby required to secure on or before June 1, 1918, license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed. * * *

FIXING GUARANTEED PRICES FOR 1919 WHEAT CROP.

(September 2, 1918.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on the 10th day of August, one thousand nine hundred and seventeen, it is provided among other things as follows:

"SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits of the guaranty provided for in this section, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States Grain Standards Act approved August eleventh, nineteen hundred and sixteen. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices, and in particular governing conditions of delivery and payment; and differences in price for the several standard grades in the principal primary markets of the United States adopting number one northern spring or its equivalent at the principal interior primary markets as the basis. Thereupon, the Government of the United States hereby guarantees every producer of wheat produced within the United

States that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guarantee within the period, not exceeding eighteen months, prescribed in the notice, a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty."

Now therefore, I, Woodrow Wilson, President of the United States, by virtue of the powers conferred upon me by said act of Congress, and especially by section 14 thereof, do hereby find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guarantee provided for in said section; and, in order to make effective the guarantee by Congress for the crop of nineteen hundred and nineteen and to assure such producers a reasonable profit, I do hereby determine and fix, and give public notice of reasonable guaranteed prices for No. 1 Northern Spring wheat and its equivalents at the respective principal primary markets as follows, to wit:

New York, New York, two dollars and thirty-nine and a half cents (\$2.39 $\frac{1}{2}$) per bushel.

Philadelphia, Pennsylvania, two dollars and thirty-nine cents (\$2.39) per bushel.

Baltimore, Maryland, two dollars and thirty-eight and three-quarter cents (\$2.38 $\frac{3}{4}$) per bushel.

Newport News, Virginia, two dollars and thirty-eight and three-quarter cents (\$2.38 $\frac{3}{4}$) per bushel.

Duluth, Minnesota, two dollars and twenty-two and one-half cents (\$2.22 $\frac{1}{2}$) per bushel.

Minneapolis, Minnesota, two dollars and twenty-one and one-half cents (\$2.21 $\frac{1}{2}$) per bushel.

Chicago, Illinois, two dollars and twenty-six cents (\$2.26) per bushel.

St. Louis, Missouri, two dollars and twenty-four cents (\$2.24) per bushel.

Kansas City, Missouri, two dollars and eighteen cents (\$2.18) per bushel.

Omaha, Nebraska, two dollars and eighteen cents (\$2.18) per bushel.

New Orleans, Louisiana, two dollars and twenty-eight cents (\$2.28) per bushel.

Galveston, Texas, two dollars and twenty-eight cents (\$2.28) per bushel.

Tacoma, Washington, two dollars and twenty cents (\$2.20) per bushel.

Seattle, Washington, two dollars and twenty cents (\$2.20) per bushel.

Portland, Oregon, two dollars and twenty cents (\$2.20) per bushel.

Astoria, Oregon, two dollars and twenty cents (\$2.20) per bushel.

San Francisco, California, two dollars and twenty cents (\$2.20) per bushel.

Los Angeles, California, two dollars and twenty cents (\$2.20) per bushel.

Salt Lake City, Utah, two dollars (\$2.00) per bushel.
 Great Falls, Montana, two dollars (\$2.00) per bushel.
 Pocatello, Idaho, two dollars (\$2.00) per bushel.
 Spokane, Washington, two dollars (\$2.00) per bushel.

and that the guaranteed price for the other grades established under the United States Grain Standards Act approved August 11, 1916, based on said price for No. 1 Northern Spring wheat at the respective principal primary markets of the United States above mentioned, will assure the producers of wheat produced within the United States a reasonable profit; the guaranteed prices in the principal primary markets above mentioned being fixed by adopting No. 1 Northern Spring wheat or its equivalents at the principal interior markets, as the basis.

For the purposes of such guaranty only, I hereby fix the guaranteed prices at the respective principal primary markets above mentioned for the following grades of wheat, to wit: No. 1 Northern Spring, No. 1 Hard Winter, No. 1 Red Winter, No. 1 Durum, No. 1 Hard White. The guaranteed prices at the respective principal primary markets aforesaid of all other grades of wheat established under the United States Grain Standards Act approved August 11, 1916, shall be based on the above guaranteed prices and bear just relation thereto.

The sums thus determined and fixed are guaranteed by the Government of the United States at the respective principal primary markets of the United States above mentioned, to every producer of wheat of any grade so established under the United States Grain Standards Act, upon the condition that said wheat is harvested in the United States during the year 1919, and offered for sale before the first day of June, 1920, to such agent or employee of the United States, or other person as may be hereafter designated, at any one of the above-mentioned cities, which are hereby declared to be the principal primary markets of the United States, and provided that such producer complies with all regulations which may be hereafter promulgated in regard to said guaranty by the President of the United States. * * *

PROHIBITING MANUFACTURE OF MALT LIQUORS.

(September 16, 1918.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on August 10, 1917, it is provided in section 15, among other things, as follows:

"Whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes, or that reduction of the alcoholic content of any such malt or vinous liquor, is essential, in order to assure an adequate and continuous supply of food, or that the national security and defense will be subserved thereby, he is authorized, from time to time, to prescribe and give

public notice of the extent of the limitation, regulation, prohibition, or reduction so necessitated. Whenever such notice shall have been given and shall remain unrevoked, no person shall, after a reasonable time prescribed in such notice, use any foods, fruits, food materials, or feeds in the production of malt or vinous liquors, or import any such liquors except under license issued by the President and in compliance with rules and regulations determined by him governing the production and importation of such liquors and the alcoholic content thereof."

Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, do hereby find and determine that it is essential, in order to assure an adequate and continuous supply of food, in order to subserve the national security and defense, and because of the increasing requirements of war industries for the fuel productive capacity of the country, the strain upon transportation to serve such industries, and the shortage of labor caused by the necessity of increasing the armed forces of the United States, that the use of sugar, glucose, corn, rice or any other foods, fruits, food materials and feeds in the production of malt liquors including near beer, for beverage purposes be prohibited. And by this proclamation I prescribe and give public notice that on and after October 1st, 1918, no person shall use any sugar, glucose, corn, rice or any other foods, fruits, food materials or feeds, except malt now already made, and hops, in the production of malt liquors, including near beer, for beverage purposes, whether or not such malt liquors contain alcohol, and on and after December 1st, 1918, no person shall use any sugar, glucose, corn, rice or any other foods, fruits, food materials or feeds, including malt, in the production of malt liquors, including near beer, for beverage purposes, whether or not such malt liquors contain alcohol. * * *

LICENSING OPERATORS OF WAREHOUSES STORING FOODS AND FEEDS FOR HIRE, AND OTHERS.

(November 2, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential in order to carry into effect the purposes of said act, to license the manufacture, storage and distribution of certain necessities, to the extent hereinafter specified.

All persons, firms, corporations and associations, not already so licensed, engaged in the business of milling corn, oats, barley or rice;

All persons, firms, corporations and associations, not already so licensed, engaged in the business of importing, manufacturing or distributing casings, made from the intestines of animals, for sausage and other food commodities;

All persons, firms, corporations and associations, not already so licensed, engaged in the business of manufacturing near beers or other similar cereal beverages;

All persons, firms, corporations and associations, engaged in the business of importing, manufacturing or distributing oat flour, raw corn flakes, buckwheat or buckwheat products;

All persons, firms, corporations and associations, not already so licensed, engaged in the business of operating warehouses or other places in which any food or feed commodities are stored for hire;

All persons, firms, corporations and associations, not already so licensed, engaged in the business of importing, manufacturing or distributing—

Chinese Vegetable tallow	Mutton tallow
Coconut stearine	Neatsfoot oil
Coconut olein	Neutral Lard
Cod Oil	Oleo Stearine
Cod liver oil	Oleo Stock
Cohune oil	Olive Oil
Fish and marine animal oils	Rapeseed oil
Lard Oil	Sesame Oil
Lard Stearine	Shea nut oil
Linseed oil	Sunflower seed oil
Mustard seed oil	Tallow

and all other animal or vegetable fats and oils, including hydrogenated fats or oils, which are in whole or part edible, or which may be made edible;

Except those specifically exempted by said act of Congress, are hereby required to secure, on or before November 15, 1918, a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed. * * *

NOTE.—The provisions of the following proclamations are being carried into effect by the Secretary of Agriculture.

LICENSE OF AMMONIA INDUSTRY.

(January 3, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, hereby find and determine and by this proclamation do announce that it is essential in order to carry into effect the purposes of said act, to license the importation, manufacture, storage and distribution of the following necessaries: ammonia, ammoniacal liquors, and ammonium sulphate from whatever source produced.

All persons, firms, corporations and associations (except those specifically exempted by said act of Congress) engaged in the business of importing, manufacturing, storing or distributing ammonia, ammoniacal liquors or ammonium sulphate from whatever source produced are hereby required to secure a license on or before January 21, 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

The Secretary of Agriculture shall supervise, direct and carry into effect the provisions of said act, and the powers and authority thereby given to the President as far as the same apply to ammonia, ammo-

niacal liquors and ammonium sulphate from whatever source produced, and to any and all practices, procedure and regulations applicable thereto, authorized or required under the provisions of said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time. All departments and agencies of the Government are hereby directed to cooperate with the Secretary of Agriculture in the performance of the duties hereinbefore set forth. * * *

LICENSE OF FERTILIZER INDUSTRY.

(February 25, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, hereby find and determine and by this proclamation do announce, that it is essential, in order to carry into effect the purposes of said act, to license the importation, manufacture, storage and distribution of the following necessities: fertilizers and fertilizer ingredients, including sulphuric acid, phosphate rock, acid phosphate, bones (raw, ground or steamed), bone black, basic slag, sodium nitrate, ammonia sulphate, cottonseed meal, slaughter house tankage, garbage tankage, castor pomace, fish scrap, base goods, cyanamid, calcium nitrate, dried blood, acidulated leather, hair, hoof meal, horn dust, ground leather, other unacidulated ammoniates, potash salts, cement dust, blast furnace dust, kelp ash, kelp char, dried kelp, wood ashes, cottonseed hull ashes, potassium nitrate, tobacco waste, mixed fertilizers, sulphur, and all other fertilizers and fertilizer ingredients.

All individuals, partnerships, associations, and corporations engaged in the business of importing, manufacturing, storing or distributing fertilizers or fertilizer ingredients (except those specifically exempted by said act of Congress, and except to the extent to which licenses have been issued under the proclamation of the President of January 3, 1918, relating to ammonia, ammoniacal liquors and ammonium sulphate) are hereby required to secure licenses on or before March 20, 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

The Secretary of Agriculture shall carry into effect the provisions of said act, and shall supervise and direct the exercise of the powers and authority thereby given to the President, as far as the same apply to fertilizers and fertilizer ingredients, and to any and all practices, procedure and regulations applicable thereto, authorized or required under the provisions of said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time. All departments and agencies of the Government are hereby directed to cooperate with the Secretary of Agriculture in the performance of the duties hereinbefore set forth. * * *

LICENSE OF FARM EQUIPMENT INDUSTRY.

(May 14, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, hereby find and determine, and by this proclamation do announce, that it is essential, in order to carry into effect the purposes of said act, to license the importation, manufacture, storage, and distribution of certain necessaries, hereinafter called farm equipment, including attachments and repair parts thereof, required for farm use in the actual production of foods and feeds, as follows: binders, boilers, brooders, bunchers, carriers, carts, cleaners, covers, crushers, cultivators, diggers, distributors, drills, elevators, evaporators, fencing, forges, forks, fountains, gates, graders, grinders, grind-stones, harrows, harvesters, headers, hillers, hitches, hullers, huskers, incubators, jacks, listers, loaders, markers, milkers, mills, mowers, pens, pickers, planters, plows, powers, presses, pullers, pulleys, pulverizers, pumps, racks, rakes, rollers, scales, seeders, separators, shellers, shredders, silos, sleds, slings, sorters, sowers, sprayers, spreaders, stalls, stanchions, tanks, tedders, testers, threshers, towers, tractors, trailers, troughs, trucks, wagons, weeders, weighers, windmills and all other tools, utensils, implements, and machinery, required for farm use in the actual production of foods and feeds.

All individuals, partnerships, associations, and corporations engaged in the business of importing, manufacturing, storing, or distributing the said farm equipment (except those specifically exempted by said act of Congress), are hereby required to secure licenses on or before June 20, 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed under said act.

The Secretary of Agriculture shall carry into effect the provisions of said act, and shall supervise and direct the exercise of the powers and authority thereby given to the President, as far as the same apply to the said farm equipment, and to any and all practices, procedure, and regulations applicable thereto, authorized or required under the provisions of said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time. All departments and agencies of the Government are hereby directed to cooperate with the Secretary of Agriculture in the performance of the duties hereinbefore set forth. * * *

LICENSE OF STOCKYARDS.

(June 18, 1918.)

* * * Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said act of Congress, hereby find and determine and by this proclamation do announce, that it is essential, in order to carry into effect the purposes of said act, to license the importation, storage,

and distribution of certain necessities, to the extent hereinafter specified.

All individuals, partnerships, associations, and corporations engaged in the business of conducting or operating, for compensation or profit, places, establishments, or facilities, commonly known as stockyards, consisting of pens or other enclosures, and their appurtenances, in which live cattle, sheep, swine, or goats are received, held, or kept for sale, feeding, watering, or shipment, and all individuals, partnerships, associations, and corporations, commonly known as commission men, order buyers, traders, speculators, and scalpers, engaged in the business of handling or dealing in live cattle, sheep, swine, or goats in or in connection with such stockyards (except as exempted by said act of Congress), are hereby required to secure licenses on or before July 25, 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed under said act.

The Secretary of Agriculture shall carry into effect the provisions of said act, and shall supervise and direct the exercise of the powers and authority thereby given to the President, as far as the same apply to the said business, and to any and all practices, procedure, and regulations applicable thereto, authorized or required under the provisions of said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time. All departments and agencies of the Government are hereby directed to cooperate with the Secretary of Agriculture in the performance of the duties hereinbefore set forth. * * *

LICENSE OF DEALERS IN LIVE OR DEAD CATTLE, SHEEP, SWINE, OR GOATS.

(September 6, 1918.)

* * * All individuals, partnerships, associations, and corporations (except as exempted by said act of Congress and except those required to be licensed pursuant to my proclamation dated June 18, 1918, under said Act), engaged in the business of handling, buying, selling, or otherwise dealing in live or dead cattle, sheep, swine, or goats in or in connection with places, establishments, or facilities, commonly known as stockyards, consisting of pens or other enclosures, and their appurtenances, in which cattle, sheep, swine, or goats are received, held, or kept for sale, feeding, watering, or shipment, are hereby required to secure licenses on or before September 19, 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed under said Act. * * *

EXECUTIVE ORDERS.

NOTE.—The Executive order creating the United States Food Administration is printed on page 3 of this pamphlet.

PROVIDING FOR ORGANIZATION OF FOOD ADMINISTRATION GRAIN CORPORATION.

(August 14, 1917.)

Whereas, under and by virtue of an act of Congress entitled "An act to provide for the national security and defense by encouraging the production, conserving the supply and controlling the distribution of food products and fuel" approved August 10th, 1917, it is provided among other things as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel, including fuel oil and natural gas, fertilizer and fertilizer ingredients, tools, utensils, implements, machinery and equipment required for the actual production of foods, feeds, and fuel, hereafter in this act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulation, and private controls, affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act."

"That, in carrying out the purposes of this act the President is authorized * * * to create and use any agency or agencies * * *"

"That, the President is authorized from time to time to purchase, to store, to provide storage facilities for and to sell for cash at reasonable prices, wheat, flour, meal, beans and potatoes."

And, whereas, in order to enable the United States Food Administration acting under the direction of the President to efficiently exercise the authority granted by said act, and to purchase, store, provide storage facilities for and to sell for cash at reasonable prices the commodities above named, and to enable said United States Food Administration to purchase and sell said commodities in the manner and by methods customarily followed in the trade, it is expedient and necessary that a corporation should be organized, all the stock of which, except the number of shares necessary to qualify directors or incorporators, shall be subscribed for, purchased and owned by the United States.

Now, therefore, under and by virtue of the power conferred upon me by the above entitled act as hereinbefore set forth, it is hereby ordered that an agency, to wit, a corporation, under the laws of Delaware be created, said corporation to be named Food Administration Grain Corporation.

That the governing body of said corporation shall consist of a Board of Directors composed of seven members.

That the following persons, having been invited and given their consent to serve, shall be named as four of said directors, to wit:

Herbert Hoover, of Washington, D. C.

Julius H. Barnes, of Duluth, Minn.

Gates W. McGarrah, of New York, N. Y.

Frank G. Crowell, of Kansas City, Mo.

The remaining three shall be named by the incorporators and be subject to change by and with the approval of the President.

The office and principal place of business of said corporation outside of the State of Delaware shall be at the City of New York, and branch offices shall be established at such places within the United States as may be selected and determined by the United States Food Administrator by and with the consent of the President.

That the capital stock of such corporation shall consist of 500,000 shares of the par value of \$100 each.

That the United States shall purchase from time to time at par so much of said capital stock as may be deemed necessary to supply the necessary capital to enable said corporation to carry on its business and none of said capital stock shall be sold to any person other than the United States and to the individual directors or incorporators, for the purpose of qualifying as such directors or incorporators, such qualifying shares to be held by said directors or incorporators in trust for the use and benefit of the United States.

The United States Food Administrator is hereby directed to cause said corporation to be formed, with the powers contained in the articles or certificate of incorporation, and in the by-laws requisite and necessary to define the methods by which said corporation shall conduct its business, which have been approved by the President.

All officers of said corporation shall be selected with the consent and approval of the President.

The United States Food Administrator is hereby authorized and directed to subscribe for and purchase all of said capital stock in the name of and for the use and benefit of the United States and as purchased to pay for the same out of the appropriation of \$150,000,000 authorized by section 19 of the act of Congress hereinbefore entitled. * * *

NOTE.—The * * * at the end of each Executive order simply indicate the omission of the formal subscription.

DIRECTING TREASURY DEPARTMENT TO ENFORCE SECTIONS 15 AND 16 OF FOOD CONTROL ACT.

(September 2, 1917.)

Acting under the authority of section 2 of the act of Congress approved August 10, 1917, entitled an act to provide further for the national security and defense by encouraging the production, conserv-

ing the supply and controlling the distribution of food products and fuel, which section reads in part, as follows: "That in carrying out the purposes of this act the President is authorized * * * to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds;" because the office of the Commissioner of Internal Revenue in the Treasury Department is now regulating the production of distilled spirits throughout the United States and is in control of the machinery necessary to enforce effectively the provisions of sections 15 and 16 of the aforesaid act of August 10, 1917, relating to distilled spirits;

Now, in order more effectively to enforce the provisions of said act, and to avoid preventable duplication of effort and funds, I hereby direct that the Treasury Department shall henceforth supervise, direct and carry into effect the provisions of sections 15 and 16 of said act of August 10, 1917, and exercise the powers and authority therein given to the President, subject to such instructions and regulations as may from time to time be issued by the President. For this purpose the Secretary of the Treasury is hereby authorized to assign such duties to the Commissioner of Internal Revenue, the Internal Revenue officers of the United States, and the Division of Customs, and to employ such additional assistants as he may deem necessary therefor.

The Executive order dated August 10, 1917, providing for the organization of the United States Food Administration, so far as it is inconsistent herewith is hereby modified. * * *

PROVIDING FOR APPOINTMENT OF SECRETARIES TO FEDERAL FOOD ADMINISTRATORS WITHOUT CIVIL SERVICE EXAMINATION.

(September 27, 1917.)

One executive secretary and one private secretary to each of the State Food Administrators under the U. S. Food Administration may be appointed without examination, and all persons employed in work financed jointly by the Food Administration and cooperating persons or organizations outside the federal service may be appointed without examination. * * *

PROVIDING FOR REQUISITIONING OF FOODS AND FEEDS.

(October 23, 1917.)

Under and by virtue of an act of Congress, entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, I, Woodrow Wilson, President of the United States, hereby authorize and direct Herbert Hoover, United States Food Administrator, from time to time, to requisition any and all foods and feeds, and storage facilities for the same, that said Herbert Hoover, United States Food Administrator, may deem are necessary for any public use connected

with the common defense, other than the support of the Army or the maintenance of the Navy, and to ascertain and pay a just compensation therefor. * * *

AMENDING CIVIL SERVICE REGULATIONS.

(November 10, 1917.)

In view of the fact that the Food Administration and the Fuel Administration are created to exist only during the present war with Germany, and that the temporary nature and the peculiarities of the work render it difficult and sometimes impossible to obtain from the competitive classified service of the United States eligibles for positions in these administrations, and because of conditions due to the war, such eligibles are often obtained only after delays which interfere with work of an urgent nature, these administrations are authorized to employ for the period of the War, without reference to the requirements of the Civil Service laws and regulations, such persons as in the judgment of those in responsible charge are best adapted to the work, it being understood that all possible use will be made of the Civil Service Commission, and that this order shall not affect any person already employed by or certified to these administrations under the Civil Service laws and regulations. * * *

AUTHORIZING UNITED STATES FOOD ADMINISTRATOR TO FIND THAT FAIR PROFIT IS NORMAL AVERAGE PREWAR PROFIT.

(November 27, 1917.)

I hereby authorize and direct the United States Food Administrator, in prescribing regulations for licensees under section 5 of the act of Congress approved August 10, 1917, entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," and in enforcing and carrying into effect, so far as it relates to foods, feeds and their derivative products, that part of section 5 which reads as follows:

" Whenever the President shall find that any storage charge, commission, profit, or practice of any licensee is unjust, or unreasonable, or discriminatory and unfair, or wasteful, and shall order such licensee, within a reasonable time fixed in the order, to discontinue the same, unless such order, which shall recite the facts found, is revoked or suspended, such licensee shall, within the time prescribed in the order, discontinue such unjust, unreasonable, discriminatory and unfair storage charge, commission, profit, or practice. The President may, in lieu of any such unjust, unreasonable, discriminatory, and unfair storage charge, commission, profit, or practice, find what is a just, reasonable, nondiscriminatory and fair storage charge, commission, profit, or practice, and in any proceeding brought in any court such order of the President shall be *prima facie* evidence; "

to find that a just, reasonable and fair profit is the normal average profit which persons engaged in the same business and place obtained

prior to July 1, 1914, under free competitive conditions; to indicate, if he shall see fit to do so, what margin over cost will return such a just, reasonable and fair profit; and to take such legal steps as are authorized by said act to prohibit the taking of any greater profit. * * *

DESIGNATING FOOD ADMINISTRATION GRAIN CORPORATION AS AGENCY OF UNITED STATES TO PURCHASE WHEAT AND DIRECTING THAT CAPITAL STOCK BE INCREASED.

(June 21, 1918.)

By section 14 of the act of Congress of August 10, 1917, entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," it is provided that whenever the President shall find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guarantee provided for in that section, he shall determine and fix and give public notice of, a guaranteed price for wheat; and that thereupon the Government of the United States guarantees to every producer of wheat that he shall receive under conditions named, a price for wheat not less than such guaranteed price. Under this provision an Executive proclamation was issued on February 21, 1918, making the necessary findings and fixing guaranteed prices for wheat when delivered at certain specified primary markets.

It is further provided that for the purpose of making any guaranteed price effective under that section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President may in his discretion purchase any wheat for which a guaranteed price shall be fixed under this section, and may hold, transport, or store it, or sell, dispose of, and deliver the same to any citizen of the United States or to any Government engaged in war with any country with which the Government of the United States is or may be at war or to use the same as supplies for any department or agency of the Government of the United States.

It is further provided by section 11 of said act of Congress, that the President may from time to time purchase, store, provide storage facilities for, and sell for cash at reasonable prices, wheat, flour, meal, beans and potatoes; and by section 2 that in carrying out the purposes of such act, the President may create or use any agency or agencies, and utilize any department or agency of the Government.

Acting under the authority of the foregoing provisions, I hereby designate the Food Administration Grain Corporation, a corporation created in accordance with the provisions of said act of Congress and Executive order dated August 14, 1917, as the agency of the United States to carry out and make effective, subject to the control and direction of the United States Food Administrator, the provisions of the guarantee hereinbefore referred to, and to purchase, hold, transport, store, provide storage facilities for, sell, dispose of, and

deliver wheat as provided in sections 11 and 14 of said act. I further direct that in order to make said guarantee effective and maintain the price of wheat to the grower at not less than the guaranteed basis the said corporation shall offer and stand ready to purchase, and shall purchase to the full extent of its ability and available funds, all wheat tendered to it by any producer thereof at any primary market named in said proclamation of February 21, 1918, at the guaranteed price named therein for such market, provided that with the approval of the United States Food Administrator the said corporation may pay any higher prices than the guaranteed basis for any grade of wheat in any given market, and may extend its offer to purchase to other holders of wheat on such conditions as it sees fit.

I further direct that for such purpose the capital stock of such corporation be increased to 1,500,000 shares of the par value of \$100.00 each; that the United States purchase from time to time at par, so much of the additional capital stock as may be required to supply the necessary capital to enable said corporation to carry out the provisions of this order, and that none of said additional capital stock shall be sold to any person other than the United States. The United States Food Administrator is hereby authorized and directed to subscribe for and purchase all or any part of said additional capital stock in the name of and for the use and benefit of the United States, and to pay for the same out of the appropriation of \$150,000,000 authorized by section 19 of the act of Congress hereinbefore entitled. I further authorize said corporation to borrow such sums of money, upon the security of wheat or flour owned by it, as may be required to carry out the provisions of this order. * * *

NOTE REGARDING FORMATION OF THE UNITED STATES SUGAR EQUALIZATION BOARD (INC.).

The United States Sugar Equalization Board (Inc.) is a corporation formed under the laws of Delaware at the direction of the President on July 13, 1918. The entire capital stock of \$5,000,000 is owned by the United States of America, the stock having been paid for out of the appropriation of \$50,000,000 authorized by the first provision in the act of July 1, 1918, entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes." The certificate of incorporation states the purposes of the company as follows:

"To purchase or otherwise acquire, manufacture, sell, or otherwise dispose of, store, handle, and otherwise deal in and with raw and refined cane and beet sugar, sirups, molasses, and other commodities, and to do all acts and things necessary, expedient, or incidental to the efficient conduct of said business within or without the State of Delaware. To exercise all powers which may be delegated to it by the President of the United States. In general, to have and to exercise all the powers conferred by the laws of Delaware upon corporations formed under the act hereinafter referred to."

The officers of the corporation are as follows:

Herbert Hoover, chairman of the board.

George M. Rolph, president.

James F. Bell, treasurer and general manager.

Robert A. Taft, secretary.

The directors are as follows:

Herbert Hoover.

George M. Rolph.

Theodore F. Whitmarsh.

William A. Glasgow.

George A. Zabriskie.

Clarence M. Woolley.

Frank A. Taussig.









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The following correspondence on the subject of the guaranteed price for the 1919 crop is sent to editors for their information.

Ag856

December 27, 1918.

Hon. A. F. Laver,

House of Representatives.

Dear Mr. Lever;

I join the Food Administration in presenting, at the suggestion of the President, the matter of making effective the wheat price guarantee for the 1919 crop. The Government, as you know, has made a guarantee, and it goes without saying that it must be made effective. I know of no other method of doing this than that suggested in the attached memorandum which I transmit herewith. If the Department and the Food Administration can be of any assistance in this matter, they will, of course, gladly place themselves at your service.

Sincerely yours,

D. F. HOUSTON,

Secretary.

MEMORANDUM PREPARED BY THE AGRICULTURAL

DEPARTMENT AND THE FOOD ADMINISTRATION AS TO THE WHEAT

PRIOR GUARANTEED BY CONGRESS.

What is known as the Food Control Act of Congress was approved
on August 10, 1917, and the 14th section thereof provided for the guar-
anty of prices of wheat "whenever the President shall find that an em-
ergency exists requiring stimulation of the production of wheat, etc." Under this Act, it will be observed that Congress provided "that the
guaranteed prices for the several standard grades of wheat for the crop
of 1918 shall be based on No. 1, Northern Spring or its equivalent at
not less than \$2.00 a bushel at the principal interior primary markets."

The section also provided for the President fixing such guaranteed price for wheat and giving notice thereof, and in pursuance of such authority the President has issued two proclamations hereinafter referred to.

By Section 11 of said Act the President is authorized "from time to time to purchase, to store, to provide storage facilities for, and to sell for cash at reasonable prices wheat" and other commodities therein named. This section necessarily has a bearing upon Section 14 and is always to be considered in connection therewith.

The Act of Congress above referred to, Section 19, appropriated the sum of \$150,000,000 for the purposes of said Act.

On the 14th day of August, 1917, an executive order was made directing that "an agency, to be a corporation under the laws of Delaware be created, said corporation to be named Food Administration Grain Corporation, the capital stock of which to be \$50,000,000, and all of the capital stock to be subscribed for at par by the United States out of the appropriation above mentioned. The capital stock of this corporation was afterwards increased to \$150,000,000, which increase was likewise subscribed for by the United States and paid for out of the above appropriation.

The purpose of the organization of the Food Administration Grain Corporation was to furnish an agency, provided for under Section 2 of the Act to enable the United States Food Administration under the direction of the President to carry out the guaranty of the price of wheat made in pursuance of the 14th section of the Act of Congress.

By executive order of June 21, 1918, the Food Administration Grain Corporation was designated by the President as the "agency of the United States to carry out and make effective, subject to the control and direction of the United States Food Administration, the provisions of the guaranty" of the price of wheat made by the President's proclamation issued on February 21, 1918, which was for the "crop of 1918," and which fixed the price of wheat at Chicago at \$2.20 per bushel and a relative price at other primary markets. It will be observed that the guaranty of the price of wheat under the proclamation of February 21, 1918, was limited to wheat "harvested in the United States during the year 1918 and offered for sale before the 1st day of June 1919 to such agent and employee of the United States or other person as may be hereafter designated." And further, that the agency of the Food Administration Grain Corporation, as at present

created, is limited to the crop of 1918 and expires on the 1st day of June 1919.

Subsequently the Grain Corporation increased the Chicago price to \$2.26 per bushel and a relative increase at other markets in view of the increase in freight rates.

Acting under the Act of Congress above referred to the President issued his proclamation, on September 2, 1918, fixing the guaranteed price of wheat "for the crop of 1919" at the respective principal primary markets, the price at Chicago being \$2.26 per bushel and a relative price at the other primary markets therein set forth. This proclamation guaranteed the price of wheat to every producer of wheat as therein set forth, the only condition to receiving the guaranteed price being that "said wheat is harvested in the United States during the year 1919 and offered for sale before the 1st day of June 1920 to such agent and employee of the United States or other person as may be hereafter designated."

Up to this time no agency of the United States has been created and charged with the duty of making effective the guaranteed price under this proclamation.

WHEAT CROP OF 1918.

The United States Food Administration Grain Corporation has undertaken "to carry out and make effective" the guaranteed price of wheat of the crop of 1918, and with its capital of \$150,000,000, and its credit, combined with the export demand for wheat up to this time, the Grain Corporation has been able so far to maintain, in its integrity, the guaranteed price of wheat of the crop of 1918. The crop of wheat of the harvest of 1918 is estimated to be 917,100,000 bushels, and this resulted from the planting of 42,301,000 acres of winter wheat and 22,406,000 acres of spring wheat, or a total of 64,707,000 acres.

Up to the 1st day of November 1918 there had been a movement of 530,-000,000 bushels from the farms and of this amount there was then in storage in elevators, mills, and terminals 287,000,000 bushels. On November 29, the total movement from the farms amounted to 582,000,000 bushels, leaving a balance of the crop of about 329,000,000 bushels yet to be moved from the farms, and on the same day there were 254,000,000 bushels in elevators, mills, and terminals, so that it will be observed that there is a very large amount of the 1918 crop yet to be moved from the farms, and it will take all



the resources of the Grain Corporation and the most careful attention to every detail to carry out the guaranteed price of wheat of the crop of 1918, made by the executive proclamation under the authority of the Act of Congress. In fact, if the export demand for the wheat of the 1918 crop should diminish, it is possible that in order to maintain the guaranteed price it may be necessary that there be a further appropriation by Congress. On the other hand, if the demand for wheat for export should continue, it is hoped that on the 1st day of June 1919 the Grain Corporation may have been able to carry out the obligations of the United States as to the crop of 1918 without impairing its capital of \$150,000,000.

WHEAT CROP OF 1919.

The carrying out of the guaranteed price of wheat "harvested in the United States during the year 1919 and offered for sale before the 1st day of June 1920" fixed by the President's proclamation of September 2, 1918, in pursuance of the direction of the Act of Congress of August 10, 1917, presents a much more difficult situation, of which Congress should be advised, and such agencies should be created and appropriations made, by Congress, as will insure the carrying out of the guaranteed price "to every producer of wheat," in its integrity. We, therefore, deem it desirable to call the attention of Congress to the situation, as it appears at present.

1. The number of acres of wheat planted for the 1918 crop was as follows:

Winter wheat	42,311,000 acres
Spring wheat	22,406,000 "
Total	64,707,000 "

However, of the winter wheat planted about 5,000,000 acres were abandoned. From this planting there was (estimated) harvested 917,100,000 bushels. For the harvest of 1919 it is estimated that there have been planted 49,261,000 acres of winter wheat, an increase of 16.5% over the winter wheat planted in the fall of 1917, for the crop of 1918. The spring wheat has not yet been planted, but if there is the same increase in planting of spring wheat in 1919 as there is (estimated) as to winter wheat, the total acreage of spring wheat may be about 26,000,000 acres or a total estimated acreage of about 75,000,000 acres. The above would indicate that the harvest of 1919 would be in excess of the number of bushels harvested in 1918.

2. The normal pre-war annual export of wheat from the United States was, about, on the average of ten years, 110,000,000 bushels. It is estimated that the total export of wheat and flour (in terms of wheat) of the 1918 crop will be about 310,000,000 bushels. The export of wheat of the 1919 crop can not be expected to reach the volume of the 1918 crop in view of the fact

that Argentina, Australia, Canada, India, and other wheat-producing countries will be in the market with their current crops and the reserves which they have been unable to ship, which was not true at least for a considerable part of the time that the 1918 crop was being marketed, and the countries of Europe will be in somewhat better situation for home production of foodstuffs.

3. The pre-war domestic average consumption of wheat in the United States did not exceed 600,000,000 bushels, including seed reserved, and we think it may be assumed that the domestic consumption out of the 1919 crop including seed wheat reserved, cannot exceed 640,000,000 bushels as a maximum.

4. Reports indicate that the wheat planted in the fall of 1918, enters the winter in better condition and with the appearance of producing a larger per acre yield than the winter wheat planted in the fall of 1917.

5. The planting of winter wheat for the crop of 1919 is now estimated at 49,261,000 acres. If a like increase occurs in spring planting in 1919 over the planting in the spring of 1918, there would be a total acreage planted for 1919 wheat of 75,261,000 acres, and a yield on the basis of present indications for winter wheat and of the five-year yield for spring wheat of approximately 1,114,500,000 bushels, or an increase of about 197,000,000 bushels. If we deduct the quantity needed for seed for the 1920 crop, namely, 90,000,000 bushels, and that needed for maximum home consumption, 550,000,000, we would have remaining for export and carry-over 474,500,000.

Possible 1919 crop	1,114,500,000 bushels
Deduct probable seed requirements	<u>90,000,000</u>
	1,024,500,000
Deduct maximum home consumption	<u>550,000,000</u>

Remaining for export and carry-over 474,500,000

In addition to the above it seems probable that there will be a considerable carry-over from the crop of 1918. The quantity of wheat to be handled may, of course, be greater than this; it may be smaller. The planting in the spring of 1919 may not be as great as that assumed. Weather conditions, while more favorable than usual to date, may not continue favorable.

The following table will indicate the possible outcome if we assume the normal abandonment for winter wheat and the five-year average yield and a planting in the spring of 1919 equal to last year with the average yield for

the last five years:

Winter wheat	697,900,000 bushels
Spring wheat	302,000,000
Total	1,000,900,000
Deduct seed and domestic consumption	<u>640,000,000</u>
	360,900,000

It would be unwise not to make provision for the possible maximum quantity to be handled.

6. In order to meet the competition from Argentina and other countries, it seems apparent that our wheat of the 1919 crop, for export, must be paid for here at the guaranteed price and perhaps sold in competition at a price considerably below the guaranteed price. If we sell export wheat at a price below the guaranteed price there would be difficulty in holding our own people to a price for flour based on the guaranteed price of wheat, even if this were desirable.

7. The total estimated elevator capacity for carrying wheat is probably at a maximum as follows:

Public Terminals	150,000,000 bushels
Country Elevators	100,000,000 "
Mill Elevators	<u>100,000,000</u> "
	350,000,000

If the crop of 1919 should be to any considerable amount in excess of the 1918 crop, as now seems probable, it will be necessary to provide additional wheat-storage capacity to carry out the guaranteed price of wheat for the 1919 crop. Storage capacity is essential, for the guaranteed price is limited to the first of June, 1920, and producers will certainly rush their wheat to market, in order not to be caught on June 1, 1920, with wheat on hand, and the United States must take the wheat when offered.

8. In conclusion we submit the following:

- (a) The guaranteed price of "every producer" is only effective provided the wheat is "offered for sale before the 1st day of June 1920." It will be impossible to carry out this guarantee as it is intended by June 1, 1920, and if producers cannot sell their wheat to the United States before that date and are left with wheat on hand, it will be felt that the obligation of the United States has not been carried out.

the first time in the history of the world, the
whole of the human race has been gathered
together in one place, and that is the
present meeting of the World's Fair.
The great number of people here,
from all parts of the globe, are
representing their respective countries,
and showing the progress which
they have made in science, art, and
industry. The exhibits on display
are indeed remarkable, and it is
a pleasure to see the various
countries represented by their
best workmen and artists.
The United States, in particular,
has done well, and has
shown the world what
it can do in the way of
industrial progress.
The fair is a great success,
and it is a pleasure to be here
and witness the progress
of the human race.

in good faith. Therefore, Congress will have to extend this date with such provisions and safeguards as may be necessary to protect the Government from wheat harvested in 1918 being mixed with wheat of the 1919 crop.

(b) The present agency will have to be continued or a new one created with power to buy, store, and sell such wheat of the 1919 crop as may be offered to it, and sufficient appropriation will have to be made to furnish such agency with ample funds to at all times purchase throughout the United States, at the guaranteed price, such wheat of the 1919 crop as may be offered to it and also to provide storage facilities to take care of the same by lease or purchase of facilities now in existence or by building additional facilities or both. The appropriation will have to be on a basis to enable the guaranteed price to be maintained at all times by purchase of wheat with funds provided by the Government and without relying on outside credit.

(c) Provision may have to be made by Congress for the protection of the Government against wheat or flour brought in from other countries during the period when the guaranteed price is effective, and also to protect purchasers of such wheat so long as the same is in the country and not consumed. Such provision was made by Section 14 of the Act of August 10, 1917, but the same expires with the proclamation of peace.

EDGAR RICKARD,

Acting for Herbert Hoover,
U.S. Food Administrator.

WM. A. GLASGOW, JR.,

Chairman, Executive Board,
U.S. Food Administration.

D. F. HOUSTON,

Secretary of Agriculture.



